

August 20, 2003

Commission Members
Downriver Recreation Commission
P.O. Box 265
Algonac, Michigan 48001

Dear Members:

We recently completed our audit of the general purpose financial statements of the Downriver Recreation Commission for the year ended June 30, 2003. As a result of our audit, we have the following comments and recommendations for your review and consideration.

In planning and performing our audit of the financial statements of the Downriver Recreation Commission for the year ending June 30, 2003, we considered the Commission's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. However, we noted certain matters involving the internal control and its operation that we consider reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the Commission's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The matters noted are only those that came to our attention and had our procedures in internal control related matters been more extensive, other matters may have been noted.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or irregularities in the amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be reportable conditions, and accordingly, would not disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following reportable condition that we believe to be a material weakness.

- The Commission's internal control structure requires two signatures on checks greater than \$500. We noted instances where blank checks had been signed in advance by the second check signer.

This report is intended solely for the information and use of the Commission Board and is not intended to be and should not be used by anyone other than this specified party.

Very truly yours,

PLANTE & MORAN, PLLC



Mark R. Hurst